

[From the Daily News, Aug. 5, 2000]

"CONTRACT" NOT NOW MENTIONED

TAX REDUCTION FOR SOCIAL SECURITY BENEFITS
WOULD AID ELDERLY PAYERS

A modest tax cut proposal that would benefit some 9 million Social Security recipients is apparently going nowhere because of a threatened presidential veto.

Under the plan, which won a 265-159 vote in the House, with 52 Democrats joining the Republican majority, the amount of benefits subject to taxation could drop from 85 percent to 50 percent. That change would restore a tax level in effect until the 1993 increase urged by President Clinton and for which Vice President Gore cast the deciding vote.

Given current surplus levels, the change is easily affordable from Uncle Sam's standpoint. More than that, however, the change is in keeping with the original philosophy of the program. That is, to provide an old-age benefit to workers from earnings on which taxes had already been paid. It was much later that these benefits became an important new source of tax revenue for the U.S. Treasury.

It is of special interest that the same partisans who now protest a reduction in this tax, since it might help individual elderly people now earning as much as \$34,000 annually or married couples at a \$44,000 level, are the ones who have long berated opponents as "breaking a contract" on Social Security with any proposed alteration of benefits.

They were silent when the benefits were effectively reduced with higher taxation.

Taxing those benefits was not the original intent of those who devised the system. Whatever implied contract existed was long ago violated by the decision to lump the benefits with other income and make it subject to regular taxation.

The system long discriminated against Social Security beneficiaries who worked for income rather than acquiring their extra money from interest payments or dividends. The imposition of the greater tax load—argued as necessary in 1993 in order to overcome deficits—did nothing to restore equity.

Much can and must be done to simplify the tax system, including that applicable to the Social Security beneficiaries, but such action must not preclude a simple reduction in rates to reflect the fact that excessive federal surpluses amount to a government taking of private wealth.

HONORING ING. KAROL MITRIK

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 2000

Mr. KUCINICH. Mr. Speaker, today I rise to honor Ing. Karol Mitrik, Mayor of Spisska Nova Ves, for his outstanding leadership and dedication to his fellow countrymen.

One of six children Ing. Karol Mitrik was born in Spisska Nova Ves where he was taught an early lesson in the value of work, working sunrise to sunset on a farm. His childhood experience led him to pursue an education in the area of agriculture. He graduated in 1981 with a Master's degree in Agronomy from the Agricultural University in Nitra. In 1994 he finished studies in the City University with Certificate in Effective Management.

In 1994 Mitrik became Mayor of Spisska Nova Ves. A dynamic leader with vast knowledge of regional policies and economic development he has worked tirelessly on the behalf of the people of Spisska Nova Ves. Due to Mitrik's extraordinary leadership Spisska Nova Vas became a sister city of Youngstown. Mitrik also established the first Rotary Club in eastern Slovakia. Mitrik's expertise extends beyond local activities, he is involved in a student exchange program, is a Member of Council of the Association of Towns and Communities of Slovakia, Chairman of the Association of Towns and Communities of Slovakia, Vice-president of Mayor's club of Slovakia, and Chairman of Interest Association for Development of the Spis region.

Mr. Speaker, I ask my fellow colleagues to join me in rising and honoring this remarkable man and his tremendous accomplishments on behalf of the people of Spisska Nova Vas.